## **IN THE SPECIFICATION**

At page 1 after the title, please insert the following:

-- CROSS REFERENCE TO RELATED APPLICATIONS

This application is a continuation of U.S. Patent Application Serial No. 09/402,750, filed October 12, 1999.--

At page 10, lines 4-7, please replace the second paragraph with the following corrected paragraph:



The lower section 16 houses a pcb 33 that extends fully across the rear of the lower moulding 17, a first generally trapezoidal light guide 34 and a banknote drive mechanism. The light guide 34 is mounted at its narrow end to the pcb 33 and extends vertically so that its broad end is received in the transverse slot 25.

At page 13, lines 28-31, please replace the fourth paragraph with the following corrected paragraph:



A horizontal pcb 103 extends across the top of the lower moulding 60 of the upper section 15. A second trapezoidal light guide 104 is mounted at its narrow end to the horizontal pcb 103 and extends vertically downward so that its broad end is located in the transverse slot 95 in the lower wall 60a of the lower moulding 60.

At page 14, lines 11-16, please replace the third paragraph with the following corrected paragraph:



Referring to Figure 10, the broad ends of the light guides 34, 104 make angles of 70° and 110° respectively to the front and rear faces of the light guides 34, 104. Consequently, light guided by the light guides 34, 104 is not perpendicularly incident on a banknote 109 in the banknote path 6. The narrow ends 111 of the light guides 34, 104 have semi-circular cut-outs 112 which serve to spread light being shone therein.

At page 16, lines 1-8, please replace the first paragraph with the following corrected paragraph:

The narrow end of the first trapezoidal light guide 34 is received in the other half of the carrier 356. Light from the LED 350 is guided by the light guide 34 to the banknote path 6 and light reflected by a banknote in the banknote path 6 is guided by the light guide 34 to the first, second and third filters 354, 355, 356. The reflected light passing through the first filter 354 only is incident on the first phototransistor 351. The reflected light passing through the first filter 354 and the second filter 355 is incident on the second phototransistor 352. The reflected light passing through the third filter 354 only is incident on the third phototransistor 353.

At page 19, lines 26-31, please replace the last paragraph with the following corrected paragraph:

The microcontroller 300 also continuously monitors the output of the first optical sensor 305 until a change in one or both outputs indicates that the leading edge of the banknote has reached the first light guide 34. From this point on, the microprocessor 300 repeatedly samples and stores in the RAM 302 the outputs of the optical sensors 305, 306 and the magnetic sensor 307. The sampling terminates when one or both of the outputs of the second optical sensor 306 indicate that the banknote has

At page 20, lines 5-8, please replace the second paragraph with the following corrected paragraph:

The samples S1, S2, and S3 of the outputs of respectively the first, second and third phototransistors 351, 352, 353 of the optical sensors 305, 306 are processed according to stored algorithms to produce the values to be compared with stored reference values.